

# COVID-19 Outbreak

## Frequently Asked Questions

The information contained in this document is intended to assist Aon clients to understand some issues related to addressing the COVID-19 outbreak. These are general responses to questions raised by our clients and are not intended to address the specifics of every client situation or to be a substitute from

relevant authorities. You should review the information in the context of your own organisation's circumstances and insurance policies and develop an appropriate response. Please contact your Aon consultant or broker with specific questions related to your own organisation's circumstances. We hope this assists in these uncertain times.



**1. What is our risk exposure?**

This will depend on the circumstances of your organisation. If you haven't already, you should undertake a thorough and urgent assessment of the specific risks posed by COVID-19 for your industry, locations and business activities. Unless the situation changes materially, most of our clients' insurance coverage is limited, and the effects of COVID-19 are more likely to be acutely felt in falling demand and general business activity disruption

**2. Do we still need cover if we have reduced services?**

Regular insurances will still be required and can cover your activities, excluding coronavirus related claims. For example, despite reduced activities if a volunteer enters someone's home you should still maintain a liability coverage for third party property damage and personal injury.

**3. Do we have cover if one of our volunteer's contracts COVID-19?**

Voluntary workers personal accident cover is for accidental injury and death only, the cover does not extend to sickness or illness claims.

**4. Are we covered for regular volunteering duties that need to be continued at this time of pandemic?**

All cover remains the same for regular activities with the same terms and conditions as agreed upon when placing the Policy, excluding all coronavirus related claims.

**5. Are our volunteers covered for additional activities asked that are a result of the pandemic?**

If these activities are within the same scope of work that is regularly conducted than all cover would remain the same with the same terms and conditions as agreed upon when placing the Policy, excluding all coronavirus related claims.

**6. Are our volunteers covered for any injuries they sustain whilst working from home?**

Provided it can be proved that the volunteer was conducting volunteer work on behalf of the organisation at the time of the injury, then cover will extend to the injured volunteer.

**7. As an employer will I be liable if an employee contracts COVID-19?**

In some circumstances COVID-19 may be a compensable workplace injury. To be compensable under a Workers Compensation Policy, work activities must be proven to be the main contributing factor to contracting the virus. Due to the nature of viruses, it may be difficult to determine that employment was the main contributing factor. Each claim will be assessed on its individual merits.

**8. What can we do to make sure our volunteers and employees are safe while working?**

Everyone should be following the guidelines set by the federal and state governments. Where possible, all work should be undertaken remotely in work-from-home environments. If this is not possible, there should be increased use of hand sanitisers and social distancing should be observed. An integrated Pandemic Response Plan developed within your risk management and governance framework is essential to the prevention of harm and the mitigation of potential legal liabilities.

**9. Are we covered for Business Interruption if we need to stop work during the pandemic?**

Business interruption insurance policies may cover losses incurred because of the closure of an organisation's business premises by public authorities due to the outbreak of an infectious or contagious disease. However, such business interruption insurance policies typically exclude cover for 'quarantinable' diseases under the Quarantine Act 1908 (Cth) or diseases that have been listed under subsection 42(1) of the Biosecurity Act 2015 (Cth). Because 'coronavirus with pandemic potential' has been listed for the purposes of the Biosecurity Act 2015, the exclusion is expected to apply such that business interruption losses will not be covered by insurance.



#### 10. What are my duties as a manager or supervisor if employees and volunteers work from home?

You have a duty, so far as is reasonably practicable, to provide a working environment that is safe and without risks to health. This also includes controlling new risks that may be introduced when employees and volunteers are working from a location other than their normal workplace, such as a home office.

Good practice is to have a policy and procedure that requires workers to complete a risk assessment of their home working environment and then submit this to their supervisor.

The Federal Government has also introduced a Work Health and Safety Checklist for working from home. The form outlines an ideal work environment, work station set up and the nature of tasks that can be completed.

This form can be accessed at [https://maps.finance.gov.au/sites/default/files/2019-08/form\\_151.pdf](https://maps.finance.gov.au/sites/default/files/2019-08/form_151.pdf)

#### 11. Does a Business Travel Insurance policy arranged by Aon respond in the event of loss of deposits or cancellation because of COVID-19?

For losses relating to cancellation of a business journey, coverage will depend on when the trip was booked and, potentially, when and where travel was planned. Coverage is intended to cover losses caused directly by the unforeseeable cancellation of travel and/or accommodation expenses outside of the control of the policyholder and of the insured person.

Most insurers have issued guidance notes regarding the time from when they consider the COVID-19 outbreak a global foreseeable event. Other insurers have not notified any specific date relating to when they consider COVID-19 to have become a foreseeable event and claims with these insurers will be assessed on a case-by-case basis.

#### 12. What would happen if an employee is on a business journey and contracts COVID-19?

Provided the journey commenced prior to the COVID-19 outbreak becoming a foreseeable event and the employee had not contracted COVID-19 prior to the journey commencing (i.e. a pre-existing condition), then the Medical Expenses coverage of the policy may respond subject to policy terms and conditions. The Personal Accident & Sickness section may also respond to cover the employee's loss of income because of temporary disability and time off work.

### Speak to the Aon NFP team today!

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